GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:2550
ANSWERED ON:01.12.2016
Procurement of Cotton
Nayak Shri B.V.

Will the Minister of TEXTILES be pleased to state:

(a) the measures being taken by the Union Government to promote the procurement of cotton from farmers by the Cotton Corporation of India Limited (CCIL) at the Minimum Support Price (MSP) ;

(b) whether cotton farmers receive remuneration that is equal to or in excess of the MSP through contract farming of cotton by CCIL; and

(c) if so, whether Government is taking any measures to promote contract farming of cotton and if not, the reasons therefor?

Answer

MINISTER OF TEXTILES
(SMT. SMRITI ZUBIN IRANI)

(a): Government of India has requested all major cotton producing states to devise procedure so that the officials from State Agriculture Department, District Collectors and Agricultural Produce Marketing Committee (APMC) officials may ensure that only bonafide cotton farmers sell their produce to Nodal Agencies without any involvement of Commission Agents or middlemen or traders so as to ensure that the benefit of MSP is received by cotton farmers only and not by anyone else.

Cotton Corporation of India Limited (CCIL) has been entrusted with procurement of cotton from farmers at Minimum Support Price (MSP). Based on the MSP operations 2015-16, CCI has geared up its entire infrastructure for undertaking MSP purchases as and when required in more transparent manner and has taken following initiatives:-

(i) Display of MSP rate and quality parameters in each and every market yards in local language for farmers' knowledge to avoid distress sale of cotton. Necessary information is also disseminated through advertisements in the newspapers.
(ii) Adherence of use of moisture meter in case of rejection of kapas having excessive moisture over 12%.
(iii) All payment to farmers through Real Time Gross Settlement (RTGS) only.
(iv) Developed an online Grievance Redressal Mechanism inbuilt in its website. Farmers may lodge their grievance and get redressal if any on instant basis.
(v) Appointment of Nodal Officer of Chief General Manager/General Manager level at each of three regions i.e. North, Central & South. Contact Numbers of these officers are given on Corporation's website.
(vi) Continuous monitoring of MSP procurement through Enterprise Resource Planning (ERP) System.
(vii) Created a separate page on CCI website having all related details in connection with MSP procurement.
(viii) Ensured updation of MSP data on its website on day to day basis.

(b): Presently, CCIL is not engaged in contract farming due to unwillingness on the part of mills and ginning pressing factory owners to participate in the contract farming.

(c): Since the cotton production is more than consumption in the Country, interest for growing cotton in contract farming is not getting an impetus in other varieties except for Extra Large Staple (ELS) variety of cotton. In some pockets of Tamil Nadu and lower Rajasthan, contract farming of ELS variety of cotton like Suvin, DCH is being taken up by private Mills to ensure growing of authentic quality of ELS variety (i.e. above 34 m.m. staple length).
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